

## Message Text

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63

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SUBJ: COMPUTER INDUSTRY: GOC SOFTWARE PROJECTS SUPPORT

REF: OTTAWA A-469, SEPT 13, 1973

1. FOLLOWING IS TEXT OF LETTER HEADED "PAIT AIDE SOFTWARE  
PROJECTS" TO THE EDITOR PUBLISHED IN MARCH 1975 ISSUE  
CANADIAN DATA SYSTEMS: BEGIN QUOTE

SIR:

YOUR ARTICLE "WILL GOVERNMENTS HEED THE INDUSTRY'S  
PROBLEMS" IN THE NOVEMBER ISSUE HIGHLIGHTED THE FINDINGS  
OF THE SCIENCE COUNCIL OF CANADA'S FOLLOW UP REPORT ON THEIR  
REPORT NO. 21 "STRATEGIES OF DEVELOPMENT FOR THE CANADIAN  
COMPUTER INDUSTRY." THE ARTICLE PRESENTED SOME INTERESTING  
VIEWS, AS HELD BY THE SURVEYED COMPANIES REGARDING THE  
NATURE OF GOVERNMENT GRANTS AND THEIR ASSISTANCE TO THIS  
INDUSTRY.

REFERENCE WAS MADE SPECIFICALLY TO THE PROGRAM FOR THE  
ADVANCEMENT OF INDUSTRIAL TECHNOLOGY (PAOT) WHICH IS OPERATED  
BY THE DEPT OF INDUSTRY, TRADE AND COMMERCE IN OTTAWA.

THE BASIC PURPOSE OF THE PAIT PROGRAM IS TO PROMOTE  
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THE GROWTH AND EFFICIENCY OF INDUSTRY IN CANADA BY

PROVIDING FINANCIAL ASSISTANCE FOR SELECTED PROJECTS CONCERNED WITH THE DEVELOPMENT OF NEW OR IMPROVED PRODUCTS AND PROCESSES WHICH INCORPORATE NEW TECHNOLOGY AND OFFER GOOD PROSPECTS FOR COMMERCIAL EXPLOITATION IN DOMESTIC AND INTERNATIONAL MARKETS.

SINCE ITS INCEPTION IN 1965, THE PROGRAM HAS NOW APPROVED SUPPORT AMOUNTING TO \$234 MILLION FOR 849 PROJECTS.

WHILE IT IS TRUE THAT INITIALLY THAT PAIT PROGRAM DID NOT INCLUDE SOFTWARE WITHIN ITS FRAMEWORK, THIS WAS SUBSEQUENTLY MODIFIED. SINCE 1970 THE PROGRAM HAS SUPPORTED MANY PROJECTS SUBSTANTIALLY OR TOTALLY OF A SOFTWARE NATURE. THE TOTAL SUPPORT FOR SUCH PROJECTS, EXCEEDS \$12 MILLION. PROJECTS SUPPORTED INCLUDE OPERATING SYSTEMS, COMPILERS, PROCESS CONTROL SYSTEMS, COMPUTER-AIDED DESIGN OF CIVIL ENGINEERING STRUCTURES AND SIMULATION OF COMPLEX SYSTEMS. COMPANIES SUPPORTED INCLUDE PRIMARY INDUSTRY, COMPUTER MANUFACTURERS, CONSULTANTS AND SERVICE BUREAUX. IT SHOULD BE RECOGNIZED THAT THE NUMBER AND NATURE OF THE PROJECTS SUPPORTED IS LARGELY DETERMINED BY THE NUMBER OF APPLICATIONS RECEIVED WHICH MEET THE REQUIREMENTS OF THE PROGRAM.

COMPANIES MUST AGREE TO EXPLOIT THE RESULTS OF THE TECHNOLOGY DEVELOPED FROM A CANADIAN BASE; MUST HAVE ADEQUATE MANAGEMENT AND FINANCIAL RESOURCES TO CARRY OUT THEIR SHARE OF THE DEVELOPMENT AND RESULTING EXPLOITATION, AND SUPPORT THE APPLICATION WITH AN ADEQUATE DETERMINATION AND ESTIMATE OF THE RESULTING MARKET. THE PROJECT MUST BE FOUNDED ON A SOUND TECHNICAL BASE AND MUST REPRESENT AN ADVANCEMENT OF THE SUBJECT TECHNOLOGY.

PROJECTS SUPPORTED COVER A WIDE RANGE OF SIZES, FROM SMALL PROJECTS AS LOW AS \$22,000 TOTAL PROJECT COST (\$11,000 PAIT SHARE) TO LARGE PROJECTS MANY TIMES THAT SIZE. TO ASSIST IN THE PROCESSING OF SMALL  
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PROJECTS THE DEPARTMENT HAS RECENTLY GIVEN THE REGIONAL OFFICES OF THE DEPT OF INDUSTRY, TRADE AND COMMERCE AUTHORITY TO APPROVE PAIT APPLICATIONS FROM SMALLER COMPANIES.

IN SUMMARY, LET ME SAY THAT WE WELCOME APPLICATIONS FOR SUPPORT FROM THE COMPUTER AND OTHER INDUSTRIES FOR NEW PRODUCTS AND PROCESSES, INCLUDING SOFTWARE.

G. S. CONGER  
DIRECTOR  
PROGRAM OFFICE-INDUSTRY  
DEPT OF INDUSTRY, TRADE & COMMERCE OTTAWA

END QUOTE.

2. COMMENT: THIS IS THE FIRST EXPLICIT STATEMENT  
FROM GOC SOURCE WHICH EMBASSY HAS NOTED DEALING WITH  
FINANCIAL ASSISTANCE IN THIS AREA. FOR FURTHER  
INFORMATION ON PAIT AND OTHER GOC FINANCIAL INCENTIVES  
TO INDUSTRY SEE OTTAWA A-492, OCT 2, 1974  
PORTER

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